

Staff Summary Report



Council Meeting Date: 11/18/2010

Agenda Item Number: _____

SUBJECT: Request approval to award two-year contracts with three, one-year renewal options to Ewing Irrigation Products, Horizon and Sprinkler World for sprinkler parts used by the Parks Division of the Public Works Department.

DOCUMENT NAME: 20101118fslg01 PURCHASES (1004-01)

COMMENTS: Total cost for the combined contracts shall not exceed \$120,000 during the initial two-year contract term.

PREPARED BY: Lisa Goodman, CPPB, Procurement Officer, 480-350-8533

REVIEWED BY: Michael Greene, CPM, Central Services Administrator, 480-350-8516
Jerry Hart, CPA, Deputy Director, Financial Services, 480-350-8505
Don Bessler, Director of Public Works, 480-350-8205
John Osgood, Deputy Director - Field Operations, 480-350-8949

LEGAL REVIEW BY: Dave Park, Assistant City Attorney, 480-350-8907

DEPARTMENT REVIEW BY: Ken Jones, Finance and Technology Director, 480-350-8504

FISCAL NOTE: (IFB #11-028) Sufficient funds have been appropriated in cost centers 2551 thru 2559 (General Fund), 2511 and 2512 (Golf Fund), 4414 and 4415 (Rio Salado Fund), 3611 (Arts Fund) and various Capital Improvement Funds for the anticipated expenditures for the current fiscal year.

RECOMMENDATION: Award the contracts.

ADDITIONAL INFO: Background Information

The City of Tempe issued an Invitation for Bid (IFB) to establish a term contract for the purchase of sprinkler parts, PVC pipe, fittings, miscellaneous supplies and controller repairs for the Parks Division of the Public Works Department.

Evaluation Process

Three firms submitted bids for the six groups of sprinkler parts utilized by the City. The percentage discount off catalog and list pricing and hourly wages bid by each firm are as follows:

	Ewing Irrigation Products	Sprinkler World	Horizon
Group 1 – Rainbird			
Finished Goods – Turf Equip	55%	56.45%	56%
Finished Goods – Agric. Equip	No Bid	50% - parts	55%
Parts	15%	40.5%	45%
Controller Repair	No Bid	\$52/hour	\$75/hour
Group 2 – Hunter, Bowsmith, Hardie Irrigation & Sprinkler Equipment			
Finished Goods (Hunter)	55%	62.4%	60%
Finished Goods (Bowsmith)	53%	58% (Cat 1 only)	58%

Finished Goods (Hardie)	53%	58.6%	55%
Parts	15%	42.0%	50%
Group 3 – PVC Pipe & Fittings			
PVC Pipe (Schedule 200)	65%	55.34%	10%
PVC Pipe (Schedule 40)	65%	55.34%	10%
PVC Fittings (Schedule 40)	78%	79.3%	70%
Group 4 – PVC Pipe & Fittings			
Misc Fittings	20%	10-60%	50%
PVC Pipe (Schedule 80)	65%	55.34%	50%
PVC Fittings (Schedule 80)	75%	79.3%	No Bid
Group 5 – PVC Chemicals	55%	58%	50%
Group 6 – Catalog Discounts	52.5%	40-62%	No Bid

A committee comprised of Public Works and Procurement staff met and reviewed the bids. All vendors submitted bids that agreed to the City's terms and conditions. Sprinkler World is non-responsive to item 4 for not having ability to test all Rainbird controllers and for taking exception to the availability to loaner controllers and repair turnaround time. Sprinkler World is also non-responsive to item 10 for listing a range of discounts and not breaking the discounts down per catalog. Horizon is non-responsive to item 10 for not identifying the vendor list to which the discount applies and to item 12 for not bidding a percentage discount.

It is the recommendation of the City to dual award contracts on a group basis to the two vendors bidding the greatest overall percentage discount for each Group in order to ensure availability of sprinkler supplies and controller repairs as needed to meet the City's demand. Contract award is recommended as follows:

Group 1 – Horizon (Items 1-4) and Sprinkler World (Items 1-3)

Group 2 – Horizon and Sprinkler World (Items 5 and 6)

Group 3 – Ewing Irrigation Products (Items 7-10) and Sprinkler World (Items 7-9)

Group 4 – Ewing Irrigation Products and Sprinkler World (Items 11 and 12)

Group 5 – Ewing Irrigation Products and Sprinkler World (Item 13)

Group 6 – Ewing Irrigation Products and Sprinkler World (all discounts listed for each manufacturer)